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## **GLOBALIZATION AND ITS EFFECTS ON AGRICULTURE AND AGRIBUSINESS IN THE MISSISSIPPI DELTA: A HISTORICAL OVERVIEW AND PROSPECTS FOR THE FUTURE**

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### ABSTRACT

This paper examines processes of globalization and local development particularly how agribusiness, in alliance with the federal government, has shaped recent economic, demographic, and social changes in the Mississippi Delta region. The author examines how globalization shapes conditions in the flatland Mississippi Delta and argues that globalization creates conditions at the local level that suppress economic opportunities for many residents. The final section of this paper identifies the implications for public policy formulation and development practice on both the global and local levels. The author offers recommendations on how the region can “take the high road” to ease persistent poverty.

At first glance, the Mississippi Delta is characterized by several puzzling disparities. The region boasts abundant natural resources, yet an unusually high proportion of the population lives in poverty. The Delta has strong communities and a strong sense of regional identity, yet the population has declined steadily for eighty years due to out-migration. Despite unparalleled fertile soils and increasingly efficient agricultural production, many residents suffer from health concerns linked to a poor diet. Delta leaders have created many Economic Development Corporations and industrial parks, yet the rate of unemployment and underemployment is persistently high. The region features a rich cultural heritage, yet many schools are failing and educational achievement lags behind the rest of the country and the rest of Mississippi. Within the eighteen Delta counties there are four community colleges and two universities, yet every year the Delta exports human resource capital to other parts of the nation.

Delta communities have joined to protect productive agricultural lands from Mississippi River floodwaters, from pests such as the boll weevil, and to protect humans from diseases through mosquito eradication, yet residents have not shown the same collaborative spirit toward regional investments in collective action for human resource development, community development, and economic development.

Why are these social and economic enigmas pervasive in the Mississippi Delta? The disparities that characterize the Delta show longstanding inequities that bring tremendous benefits to some Deltans, but squander the potential of many of the region’s residents. A landed elite has dominated the Delta for generations, and has

benefitted from a productive agricultural base, producing cotton, soy beans, corn and rice. Still, like other rural areas, the Delta has not successfully developed a good base of manufacturing firms to add value to its resources and agricultural products. Local capital invested in economic development projects is below the national average as the region is primarily a capital exporter. Moreover, until the recent emphasis on tourism, the Delta has not developed a high paying service economy to match national trends.

Given the above I examine how globalization shapes conditions in the flatland Mississippi Delta counties from historical, cultural and social perspectives. I argue that technological advances and a web of connections to the federal government mediate how global social change encroaches on agriculture and agribusiness in the Mississippi Delta, producing intended and unintended consequences. My analysis focuses on the counties of Bolivar, Coahoma, Humphreys, Issaquena, Leflore, Quitman, Sharkey, Sunflower, Tallahatchie, Tunica and Washington in the state of Mississippi, all of which lie in the Yazoo-Mississippi floodplain. In many ways, the Delta portion of Mississippi is the archetype of economy and culture along the Lower Mississippi River and the conditions I describe exemplify areas throughout the broader Mississippi Delta region. I present several opportunities and policy tenets that I believe will capture some benefits of globalization, bringing creative and practical economic and social change to the region. Finally, I conclude with a discussion of indicators for new visions and what Glasmeier and Conroy (1994) call highroad indicators for domestic governance and interventions.

### *The Importance of Agribusiness*

Since the region was first settled, agriculture has been at the center of the economy in the Mississippi Delta, and has directly affected the well-being of the region's population (Cobb 1994). Historically, plantation agriculture dominated the Delta's economy, and most of the population worked as farm labor. Today, farms are organized as businesses, some of which still carry the name "plantation." A few local families and transnational corporations control most of the region's farmland. Due to mechanization and investments in capital, a large agricultural labor force is no longer necessary, hence most of the Delta's population find work in other industries. Agriculture still holds significant influence over the region and local culture reflects decades as an agrarian economy (Cobb 1994).

Contemporary local conditions are shaped by both global forces and local circumstances. Tickamyer and Duncan (1990) note that the rigid, race-based stratification system characteristic of plantation economies firmly resisted change,

producing social institutions that kept Blacks subordinate to Whites. Local factors of inequality like this partly explain the current limited opportunity structure in the Delta. Yet increasingly, external factors contribute to changes in the Delta, and I focus on these linkages in this paper. Persistent poverty in the Mississippi Delta stems in part from diminishing job prospects for many residents, due to consolidation and technology in agriculture, and the aforementioned failure to create a thriving manufacturing base. Leamer (2007, p. 46) notes that “the real bottom line [is] we do not know the breadth and intensity of global contestability of U.S. jobs, and until we do, we will not have a handle on the impact of global competition on the U.S. workforce.” I address this concern by bridging the theoretical and empirical disconnect between the world-system, the nation-state, and local communities given globalizing forces.

### *Key Questions*

I address the following questions:

1. How have globalization and advancing technology engendered changes in economics and politics relating to the agricultural sector of the Mississippi Delta since the 1970s?
2. Which segments of the population are most affected by global changes?
3. How have federal agricultural policies promoted change or perpetuate poverty, out-migration and maintain wealthy landowners in the Mississippi Delta?
4. How federal transfer payments, including farm subsidies, create dependency and influence opportunities for long-term development in the region?
5. What are the options for improved local response to globalization and improve regional viability?

### *Globalization*

Increasingly, contemporary social scientists are endorsing the view that globalization encompasses profound changes in the spatial and temporal contours of social existence a ‘compression of space and time’ (Bonanno 2014; Boyer and Drache 1996; Gill 1992; Glasmeier and Conroy 1994; Hodges 2005; Meikle-Yaw 2005; and Stiglitz 2002). Territory in the traditional sense of a geographically identifiable location no longer constitutes all of the “social space” in which human activity takes place (Scheuerman 2002). Globalization is a complex and multifaceted phenomenon. Leamer (2007:28) states “globalization is the increased international mobility of goods, people, and contracts (including financial claims and thoughts,

facts, ideas, and beliefs).” Globalization describes a process of social change, which integrates people through the worldwide diffusion of competitive practices, the expansion of a unified set of social relations across continents, and the organization of social, economic and political life on a global scale. In many industries, leaders are working to expand to a global scale, although the mechanisms and goals may differ for different enterprises. In the realm of agriculture, for example, Hodges (2005) notes that the central elements driving globalization are the idea that liberal capitalistic economies and free trade will increase food production and multiply prosperity for farmers across the world to alleviate poverty and hunger (Hodges 2005).

Bonanno (2014) argues that the agri-food sector provides apt examples of the ways in which the compression of time and space affects social relations. Geographic location remains crucial for many undertakings. For example, in many places farming satisfies the needs of a local market, as globalization advances, however, connection to a place weakens, with significant ramifications such as local farmers’ adherence to global corporate requirements. For example, even in remote rural areas such as the Mississippi Delta, businesses and residents now routinely engage in electronic commerce.

Skogstad (2000) argues that globalization has four inherent processes:

- Economic globalization refers to the worldwide integration of markets, primarily through heightened trade and investment and greater capital mobility. Technology facilitates the movement of capital and the organization of production.
- Political globalization applies to the restructuring of power relations associated with new supranational centers of political authority, such as multilateral development banks.
- Cultural globalization includes the diffusion of ideas, values, tastes and norms. Communication technology facilitates these processes by producing a spatial expansion of social interactions.
- Ideological globalization indicates processes associated with the displacement of state-based liberalism by a market-oriented liberalism that emphasizes deregulation and privatization.

#### *Globalization in the Mississippi Delta*

The agrarian economy of the Mississippi Delta has been tied to global markets in various ways since the region was first settled by non-Native Americans in the

middle of the nineteenth century. Yet the effects of globalization on the local economy, culture, and politics changed dramatically during the second half of the twentieth century in response to the development and diffusion of new technologies and information, and the accelerated internationalization of capital flow, particularly by profit-maximizing transnational corporations. As global ties accelerated across the U.S. economy during the twentieth century, it brought major changes to the Mississippi Delta.

In the nineteenth and early twentieth century, the Delta's plantation economy was controlled by an elite class of wealthy landowners who had great influence on local politics and social organization. The elite depended on an abundant supply of cheap unskilled labor, but held tremendous advantages over the landless laborers, many of whom worked as sharecroppers were politically excluded (Wright-Austin 2006). The plantation era left a legacy that has had a significant impact on current conditions in the region, as it created the foundational structure that was in place as globalization began to shape the Delta. The advantages held by planters allowed them to manipulate global changes to their advantage, while landless workers lacked the power to influence how globalization affected the region and have had to accept the conditions that have resulted.

The global changes that have most significantly affected the Delta have been the rapid expansion in global capital and the cross-border movement of goods and services. Global capital investments in technology have increased the demand for skilled workers, particularly in urban areas. Rural areas like the Delta have suffered, however, as the area's agrarian workforce was slow to transition to manufacturing. Thus, in the second half of the twentieth century, the Delta built a minor manufacturing base using a large, unskilled and cheap labor force. The Delta has not created a fully functioning industrial economy, however, and wealthy farmers continue to exert strong influence over government and the local economy. The poor, whose former livelihoods were particularly dependent on plantations and low-skilled manufacturing jobs, have found themselves displaced and highly dependent on non-labor income, such as government transfer payments. This causes an unequal alliance between the elite, whose power lies in access to cheaper labor, the world market, and financial capital, and low-skill laborers, who are being displaced by technological changes associated with economic globalization.

Globalization advocates claim that closer economic integration, especially through trade and financial liberalization, will increase economic prosperity in marginalized communities and encourage good governance, transparency, and accountability. The idea is that integrated world markets create the potential for

greater growth and opportunities for marginalized regions to raise their living standards. However, the Mississippi Delta has manifested a countervailing trend—severe economic vulnerability for a significant portion of the Delta’s population.

Critics note that global change has played an increasingly central role in structuring rural economies (Hecht 2010), but globalization imposes difficult and perhaps counterproductive policies on struggling economies and does not affect all groups in the rural economy equally. Most of the benefits of globalization, they say, have gone to segments of the population and areas that were already economically strong (McGraw-Hill 2002:37), while the poor are particularly susceptible to the adverse effects of globalization. Social and geographic isolation and a dearth of quality jobs exacerbate the troubles for the rural poor, further globalization accelerates out-migration of skilled workers and the educated, leaving rural communities even worse off. Some critics also charge that globalization undermines workers’ rights and encourages environmental degradation, which further lower quality of life in rural areas (Harrison and Scorse 2003).

#### *Demographic, Social, and Economic Characteristics of Eleven Delta Counties*

Table 1 summarizes demographic, social and economic conditions of eleven “core” Mississippi Delta counties. These counties generally lag behind the rest of the U.S. in most indicators, a fact that is widely recognized among the region’s population.

#### *Population*

The counties profiled here have lost population steadily since about 1930, when the population was more than 418,000. Between the end of World War II and 1970, the eleven counties lost at least one third of their population and workforce, primarily due to African Americans leaving the region and migrating to the urban north. In 1970, the population of the eleven counties was about 313,000, and this had declined to about 223,000 by 2010.

Race is a key social and demographic variable in the Delta, which shapes the life chances of individuals. Although various races have occupied the Delta region over the past century, today most of the residents belong to one of two racial categories: African Americans (67.0%) and Whites (31.6%). Recent immigration of Hispanics has added a new dimension to the region’s cultural composition, but the number of Hispanic residents is still small.

TABLE 1. SOCIODEMOGRAPHIC INDICATORS OF ELEVEN MISSISSIPPI DELTA COUNTIES AND U.S.

INDICATOR	MS DELTA	
	COUNTIES	U.S.
Population growth (annualized rate, 1970–2003)	-0.6%	0.7%
Employment growth (annualized rate, 1970–2003) . . . . .	0.0%	1.4%
Personal income growth (adjusted for inflation, annualized rate, 1970–2003) . . . . .	1.2%	2.2%
Non-labor income share of total in 2003 . . . . .	43.9%	37.6%
Median age . . . . .	30.7	37.6
Per capita income (2007) . . . . .	\$23,499	\$26,688
Educational attainment* (percent of population 25 and over who have a college degree) . . . . .	13.65%	28.20%
Ratio rich/poor (number of households with income under \$30K for every household that made more than \$100K.) . . . . .	13.4	8.7
Housing affordability (100 or above means that the median family can afford the median house.) . . . . .	187	186
<b>Unemployment rate in 2010 . . . . .</b>	<b>13.9%</b>	<b>9.6%</b>

NOTE: \*The lower educational also contributes indirectly to a notably high level of income inequality. For example, in 2010 for the 11 Delta counties, 68% of the population attained a high school diploma or higher, and 14% attained a bachelor's degree or higher compared with 86% and 28% respectively for the state of Mississippi (U.S. Census 2010). Source: 2000 US Census and Bureau of Labor Statistics.

The population of the eleven counties is not only declining, but it has gotten older since 1990 as young people leave the region. In 1990, the median age of the population was 28.4 years, and today the median is more than 30 years and climbing. The fastest growing age group is 45 to 49 years (Sonoran Institute 2006). Many young people leave the Delta seeking educational opportunities, or shortly after they graduate in search of career opportunities elsewhere. Lofton (2006) notes that net outward migration is more prevalent in the Delta than in any other rural areas in the U.S., losing 4.2 percent of the highly educated and 2.4 percent of those in the medium educated category. Adult illiteracy is high in the Delta; about 30



percent of all adults and 57 percent of the African American population have less than an eighth grade education. Only 25 percent of African Americans who are above the age of 25 have graduated from high school (Lofton 2006).

As the educated leave, most of the population that remains consists of unskilled labor, and when this is combined with a limited physical infrastructure, the Delta is in a less competitive position to attract high-wage jobs to the region. Per capita and household income in the Delta is about two thirds of the state's average and only one third of the national average. Adjusted for inflation, per capita income in the Delta increased from \$10,741 in 1970 to \$19,566 by 2003, but this was below the statewide per capita income of \$23,466 and the national rate of \$31,472 (Sonoran Institute 2006).

### *Employment*

Over the twentieth century, the percent of the U.S. workforce engaged in agriculture declined from 41 percent to less than 2 percent (Leamer 2007). Manufacturing jobs increased from 21 percent of the workforce in 1900 to 35 percent in 1945, after which manufacturing declined steadily to about 14 percent of the workforce at the end of the century. Today, most Americans work in service sector jobs. As with the rest of the U.S., most jobs in the Delta are now in the service sector. Among private sector jobs, most are in small firms. In 2001, 87 percent of businesses had fewer than 20 employees, while less than 2 percent of firms had more than one thousand employees (Sonoran Institute 2006). Still, the region relies heavily on the government as a source of employment; there is one government job for every ten residents in the eleven counties, and government jobs are increasing despite declining population in the Delta.

The unemployment rate in the Delta has always been high. For example, in 2004 the Delta's unemployment rate was 9.2 percent, compared with 6.2 percent for the state of Mississippi and 5.5 percent for the nation as a whole. Exacerbated by the national recession, in 2010 the unemployment rate was 14.12 compared with 7.2 percent for the state of Mississippi and 6.9 percent for the nation as a whole (U.S. Census Bureau 2010).

### *Non-labor Income*

Non-labor income contributes considerably to the Delta's economy. Non-labor income is income for which the recipients have not rendered current services, and includes transfer payments from government such as farm subsidies, Temporary Assistance for Needy Families (TANF) program, Medicare, Medicaid, disability

insurance payments, and retirement. Between 1970 and 2003, non-labor sources grew at an annual rate of 2.8 percent for the eleven Delta counties, substantially outpacing the 0.3 percent growth in labor sources (Sonoran Institute 2006). Approximately 44 percent of total personal income in 2003 was from non-labor sources. Even more alarming is the fact that 82.1 percent of new income from 1970 to 2003 was from non-labor sources. Transfer payments comprise approximately 22 percent of personal income in the Delta; in some counties transfer payments are as high as 40 percent of household income (U.S. Census, 2000). In 2003, 44 percent of transfer payments were from age-related sources such as retirement, disability, insurance payments, Medicaid, and Medicare, while 22 percent was from welfare. Total transfer payments in 1970 were \$488.4 million; this increased by 100 percent to \$979.3 million in 2003. In addition, a growing proportion of rural families (the working poor) are in the labor force while participating in the Supplemental Nutrition Assistance Program (SNAP), (Povich, Roberts, and Mather 2015).

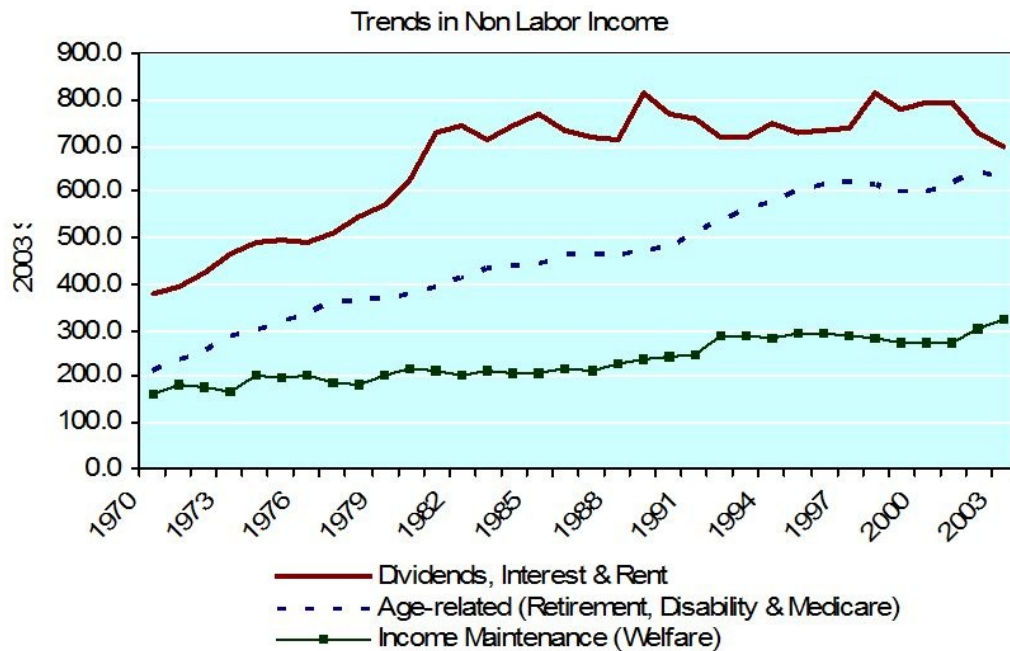


FIGURE 1. NON-LABOR INCOME IN THE ELEVEN MISSISSIPPI DELTA COUNTIES (Sonoran Institute 2006).

Reeder and Cahoun (2002) convey the effect that transfer payments have on the Delta’s economy. They note:

Much of the money being distributed to the Delta's poor places is in the form of security payments—Social Security, Medicare, Medicaid, welfare, food stamps and unemployment benefits ... These programs are helpful in treating the symptoms of poverty, but they do not foster local economic development that might help the poor communities combat poverty ... Similarly, agricultural and natural resource payments are well above average in the Delta's non-metro areas, particularly in its farming, services and poverty counties. Farm payments may help sustain farmers and their communities, but they are not meant to bring about economic diversification or enhance local capacity for nonfarm development, the main component of rural employment growth today. (pp. 26–27)

I argue that the high level of non-labor income in the Delta suggests that new economic growth engines are not being created. Given global competitiveness and accelerated integration among industrialized nations, non-labor income contributes to the sense that the Delta is falling behind. As global economic forces mount, the Delta will continue to lag behind the rest of the U.S. economically, unless more attention is given to increasing output of high-value goods, expanding international trade and increasing per capita income.

#### *Farm Subsidies*

Not all transfer payments are aimed at alleviating poverty. Agriculture in the eleven Delta counties is highly dependent upon subsidies from the federal government (See Table 2). From 1995 to 2010, farm subsidies to the eleven Delta counties totaled more than two billion dollars, supporting about 3,000 farms. On average, individual farmers received more than \$80,000 per year. As Reeder and Calhoun (2002) note, federal spending “is important for helping people get by day-to-day but does little to bring long-term economic development.”( p. 29)

#### *Business Trends*

Since 1995, there has been a drastic reduction in manufacturing jobs in the Mississippi Delta. Manufacturing grew in the Delta from 1940 until 1990, but the regional and multilateral regulatory frameworks created by the North American Free Trade Agreement (NAFTA) and the World Trade Organization (WTO) in the mid-1990s have led several firms to close their Delta operations. Some counties have lost over half their manufacturing jobs. Between 1998 and 2002, the central Delta

TABLE 2. TOTAL FARM SUBSIDIES FOR ELEVEN MISSISSIPPI DELTA COUNTIES, 1995–2010\*

COUNTY	SUBSIDIES	NO. OF RECIPIENTS	NO. OF FARMS	POP. (2010)
Bolivar . . . .	\$464,857,014	1,268	430	34,145
Coahoma . .	\$327,366,000	889	261	26,151
Humphreys	\$173,257,000	824	213	9,375
Issaquena . .	\$84,514,000	426	104	1,406
Leflore . . . .	\$307,175,000	1,020	296	32,317
Quitman . . .	\$144,831,000	1,013	349	8,223
Sharkey . . .	\$154,774,000	471	114	4,916
Sunflower . .	\$360,567,000	1,389	370	29,450
Tallahatchie	\$221,482,000	1,239	488	15,378
Tunica . . . .	\$165,356,000	418	103	10,778
Washington	\$393,787,000	912	346	51,137
Totals . . . . .	\$2,502,738,114	9,869	3,074	223,276

NOTES: \*Program payment categories: cotton, rice, soybean, wheat and disaster. Source: Compiled by authors using data from the Environmental Working Group (2006) and the U.S. Census of Agriculture, 2007.

counties of Bolivar, Coahoma, and Washington, where three of the region's largest towns are located, lost more than 2,500 manufacturing jobs, and at least ten significant plants closed (Robinson 2005).

Today the Delta is faced with a need for high skilled workers and a difficult challenge in the manufacturing sector, as citizens, businesses and communities struggle to retool and restructure under pressure created by fierce competition in a rapidly expanding world market. Lessons can be learned from European nations and Japan, which have created long-term comprehensive national programs to assist

workers, communities, firms and regions affected by expanding markets in the global economy (see Conroy and Glasmeier 1992; Heenan 1991).

Since 1980 the number of multinational corporations, primarily U.S. and British owned, increased from 7,000 to more than 40,000 in developed and developing countries. Moreover, as major corporate firms continue to relocate to lesser developed countries, firms in the Delta find it harder to compete with low-skilled, low-wage manufacturing jobs on the global labor market. As is true in other rural areas, this trend has marginalized the Delta's labor force and made it difficult for communities to sustain livelihoods. Policy makers, community development practitioners, and academics must systematically evaluate the negative effects of growing inequality and educate the public on how globalization is restructuring local economies.

During the manufacturing era, the Delta relied on cheap labor, few regulations on industry, and a pro-manufacturing stance to develop a comparative advantage, but these policies are no longer sufficient to compete in the highly competitive global economy. Without a trained workforce, the Delta's ability to stimulate growth and increase competitiveness in the global era is limited. In his book, *The Most Southern Place on Earth: The Mississippi Delta and the Roots of Regional Identity*, Cobb (1994) notes the vulnerability of the manufacturing sector to global competition, technological mechanization and the relocation of manufacturing to places with cheaper labor markets. As one example, labor costs in Mexico are about one-ninth the cost of comparable U.S. workers. Many other developing countries present similar cost savings to multinational corporations. Since the Delta's workforce consists primarily of low-skilled workers, the region will be competing with lower cost developing countries for jobs.

### *Growth in Tourism*

As the manufacturing base in the Delta has decreased, the region has turned to tourism as a growth industry. Three Delta counties on the Mississippi River (Tunica, Coahoma and Washington) allow river boat gambling, and receive approximately 12 million tourists each year. According to the Mississippi Gaming Commission (2009), gaming accounts for nearly 14,000 jobs in these three counties. Yet, many of these jobs are lower wage service jobs such as cleaning and waiting tables, and in addition many casino jobs are part-time, so they do not necessarily offer competitive high wage employment.

Nevertheless, the Delta has experienced rapid growth in tourism since 1993, when gambling was legalized in the state. Heritage tourism shows promise as an

engine of economic growth and community development. Heritage markers such as the Mississippi Blues Trail have helped tourism become the fastest growing sector in the Delta's economy. In addition, the second GRAMMY Museum in the United States officially opened to the public in March 2016 in the Mississippi Delta, this should boost the growth in tourism.

### *Global Connections*

From the time that the Delta was first settled, economic actors in the region have had ties to the global economy. During the first half of the nineteenth century, when the first settlers were colonizing the Delta region moving inland from the Mississippi River, the slave trade was a global enterprise. The first settlers used slaves to clear the forests and establish plantations. While legalized slavery had been abolished by the time most of the Delta was being settled, the agrarian economy in the Delta was built primarily on the backs of former slaves (Wright-Austin 2006). Share cropping systems that developed on plantations throughout the Delta during the last half of the 19<sup>th</sup> Century and the first half of the 20<sup>th</sup> Century would not have been possible without the abundant and cheap labor provided by descendants of slaves. By 1910, tenants operated 92 percent of Delta farms, and 95 percent of those tenants were African American. New non-forced immigrants also appeared in the region in this period, including Chinese, Jews, Italians, and Syrians (Wilson 2004), but their numbers have since dwindled.

The Delta is not technically a true delta, but a floodplain, and in its natural state the region is subject to periodic flooding from the Mississippi River. Controlling the river has been an obsession in the region as long as farmers have lived on the floodplain. Sophisticated civil engineering technology has been used to build and maintain a series of levees to channel the Mississippi River and its tributaries, and to protect Delta residents from floods. For the first quarter of the 20<sup>th</sup> century, many Chinese and Blacks were brought to the Delta to build the levees (Jung 2011; Lomax 1993). The levees provided the basis for a thriving agriculture industry in the region, and the proximity of the Mississippi River allowed planters to trade easily with Europe.

The primary traditional crop in the Delta has been cotton, which spurred connections to the global market. The first cotton planters moved into the Delta about 30 years after the invention of the cotton gin in 1794. The region's alluvial soils provided ideal conditions to cultivate cotton, and the Delta's harvest contributed to a growing trans-Atlantic trade. In 1709, British mills processed only

189,500 pounds of cotton from the American South. By 1846, some 535,000,000 pounds of cotton were being processed (Florida 2002).

Wilson (2004) noted that foreign investors purchased and operated plantations in the Delta beginning in the early twentieth century. For example, the British-owned Delta and Pine Land Company (recently acquired by Monsanto) became one of the world's largest cotton-producing operations, with more than 33,000 acres. After the Great Depression, mechanization changed the social organization and agricultural structure in the Delta. Wilson (2004) suggests that technology nurtured the economic modernization of the region, with plantations operating as factories marked by industrial-like management techniques and close control of costs, including exploitation of a large pool of cheap labor.

The mechanical cotton picker was developed in the Delta, and since the 1950s farm machines have transformed agriculture in the region. Large tractors, planting machines, cultivators, combines and the use of "crop duster" airplanes to distribute fertilizers, herbicides, insecticides, and defoliants have replaced other types of manual labor. Today, some Delta farmers use Global Positioning Systems (GPS) to monitor the needs of field crops for irrigation, fertilizer, and insecticides (Yafa 2005). These new and advanced technologies led to massive reductions in the farm workforce and drove many sharecroppers off their land. The changes also promoted out-migration, since there were few off-farm jobs for the uneducated workforce.

Contemporary agriculture is probably the most efficient and effectively managed business sector in the Delta. Large Delta farmers are far ahead of many other businesses when it comes to adopting state-of-the-art technology to increase production and create higher profits. The Mississippi Delta has not witnessed a proportionate share in advancement and output from the manufacturing and service sectors or in the management of local government. Yet with the advancements in segments of the agricultural sector, this does not translate into tangible economic advancement for the poor.

Cotton has always been a global commodity. It has always been the Delta's primary export crop. Yet, there has *never* been a full scale cotton mill in the Mississippi Delta to add value to the cotton that the region produces. The raw cotton is compressed and shipped overseas and to southeastern states—primarily North Carolina, South Carolina, and Georgia—for processing, and the added value occurs outside the Delta. In the early 1990s a feasibility study was conducted on establishing a cotton mill in the heart of the Mississippi Delta. The study concluded that the cost for creating a "state of the art" cotton mill in the region would be in excess of \$850 million and that such a mill would provide only 120 jobs. As a result,

the idea was abandoned. However, there are a few small “cotton seed oil mills” in the Delta that extract valuable oil from cotton seeds.

### *Building a Competitive Workforce*

Plantation agriculture cultivated a low-skilled, low-wage workforce, which manufacturing later exploited as a comparative advantage to attract businesses, but this also exacerbated the already highly unequal social system. In a global labor market, this strategy is losing viability, and Delta leaders must pay more attention to improving its workforce to remain globally competitive. Contemporary workforce development programs in community colleges and skill tech centers are poorly funded and lack state-of-the-art equipment for job training in advanced manufacturing technologies. Recent workforce development interventions at these institutions focus primarily on low-skill jobs. In other parts of Mississippi, skill tech centers train workers using modern, computer driven equipment and other technologies that the centers in the Delta lack. Managers at major manufacturing firms around the Delta state that they need high-skilled welders, electricians, and machinists (Robinson 2005), but these firms may fill these positions by recruiting workers from outside the region.

Most of the resources available for development in Mississippi are directed at the metropolitan area surrounding Jackson, the state capital, the Gulf Coast region, and Northeast Mississippi. As a result, I argue, the Delta could face the prospect of being further relegated to the “backwaters” of the state’s economy. Additionally, the lack of access to jobs, cultural amenities, adequate health services, and social services has resulted in the chronic out-migration of many of the most capable, most educated, and most talented youth. Overall, structural changes in the economy have created a void for the Delta’s workforce.

### *Change on One Large Delta Farm*

Among the region’s iconic plantations is Dockery Farms in Sunflower County, was established in 1895, in the mid-1950s it comprised approximately 10,000 acres, and like nearly all farms in the region then, Dockery produced cotton. In summer of 1955, 126 families were living on the plantation, 120 of which were Black. The six white families included the owner, the farm manager, two supervisors, and the manager of Dockery’s Commissary.

Today, Dockery Farms is owned by three absentee descendants of its founder. Most of the land has been sold. The remaining 4,400 acres is leased to one individual who lives out of state. Because the farm is highly mechanized, he has only



two full-time employees and two to three part-time seasonal workers. Various crops are produced today, including rice, corn, soybeans, winter wheat, and the traditional crop, cotton. In addition, Dockery attracts tourists and has a Blues Trail marker identifying the plantation as the “Birthplace of the Blues.” This is a vivid example of how technology has transformed the economy and workforce of the Mississippi Delta (King 2011).

### *Livelihood and Quality of Life*

As globalization has advanced, many Deltans have lost farm and manufacturing jobs, creating new hardships, new social challenges for the poor, and a dependence on non-labor income. The income gap between Black and White Delta residents is widening, and persistent poverty continues to plague the Delta, particularly among the region’s African American residents. Most of the low-paying farm and manufacturing jobs have traditionally been held by African Americans, and today Black Deltans have less education, higher unemployment rates, higher rates of infant mortality, and shorter life expectancy than White residents. African Americans in the Delta are less likely to own a home and most Black infants are born into single parent households. In addition, the loss of human capital through brain drain is particularly severe among African Americans, as many who complete college leave the region to pursue a livelihood elsewhere to obtain the quality of life that they desire.

### *Globalization, Poverty, Out-migration and the Creation of Wealth*

Globalization links economic activities to distant places and focuses attention outside the region, but the poor residents of the Delta do have human faces and families. They belong to a community and express a unique culture. Yet these residents and communities are displaced and marginalized by the processes associated with globalization. How can we create a global society that integrates and incorporates rural communities and regions like the Mississippi Delta?

Structural changes in the global capitalist system are clearly essential if we are to protect vulnerable local social and natural systems. To date, the institutions created to monitor globalization, such as the World Bank, the World Trade Organization, and the International Monetary Fund, have not dedicated sufficient attention to the ways in which business development disrupts and displaces rural societies. How do we achieve the redistribution of power among local, national, and global levels? Ritzer (2004) suggests a model he calls “glocalization,” which is the integration of global and local opportunities and interests. Glocalization merges

global opportunities and local interests, giving local communities new avenues to carve out livelihood opportunities and maintain some local socioeconomic autonomy. Local communities matter in the complex array of globalizing forces. In the U.S., for example, less powerful peripheral regions like the Delta may need special provisions that increase representation and ensure that citizens have a role in policy determination, to make up for disadvantages caused by a dispersed population and weak business institutions.

Recognizing that poor regions like the Delta have their own unique culture and circumstances, targeted empirical studies are needed to draw attention to the vulnerability of the poor and their communities in relation to the global market. Tolbert, Lyson and Irwin (1998) present a framework for these studies, by analyzing how local community and economic conditions shape how a local region is connected to the global system. These authors point out that global capitalism manifests itself most directly when the economy of a community is dependent on one large firm, including a large farm, as the economic well-being of local residents is tied directly to the economic health of the large firm creating a localized situation of dependency.

#### *Partnerships, Not Dependency*

Leamer (2007) suggests policy changes that fit well for the Delta. Leamer states:

The policy response to the globalization force is pretty straightforward: we need to make educational and infrastructure investments that are needed to keep the high-paying non-contestable creative jobs here at home and let the rest of the world knock themselves silly competing for the footloose mundane contestable jobs. The response to the technological trends that are altering the nature of the relationship-based jobs is not so clear cut. (p. 48)

Reeder and Calhoun (2002) suggest that if the government continues to invest primarily in transfer payments instead of human resource development and community development, the Delta will continue to lag behind. If the federal government and the State of Mississippi continue to place priority on maintenance funding, many Deltans and a large part of the region's economy will remain dependent on the government for livelihood. Transfer payments and farm subsidies alike have created a "dependency syndrome" or the lack of self-reliance/self determination in the region, and many other rural areas. The recently passed Farm Bill of 2014 reorients some of these transfer payments. The bill cuts about \$8 billion

from the program SNAP. Collart and Coble (2014) note that it may be expected that SNAP-eligible households, may have increased access to specialty crops, which they argue may result in an increase in demand for local foods. Greater access may cause a rise in consumption of fresh produce among the Mississippi Delta population and potentially change eating habits among vulnerable groups. The new Farm Bill prioritizes financing to vulnerable populations, so that they have access to healthier food options and encourage small farmers as the bill offers incentives to consuming many local or regional goods and allow for more competition in the regions, driving prices down in the process. The new Farm Bill includes \$600 million in research dollars to support special crops, organic farmers, and beginning farmers (Collart and Cole 2014). In addition Mississippi received 20.5 million grant in 2015 from USDA to conduct a three-year pilot program to match SNAP recipients with workforce training and job opportunities, grant funds were approved through the 2014 farm bill to facilitate SNAP recipients with workforce training to place them on a pathway to self-sufficiency (Delta Business Journal 2015).

Many of Delta residents, including the poorest and the richest, are dependent on and benefit from government benevolence. A provocative question is posed: What would the outcome be if the federal government and the State of Mississippi invested more money in education for the youth of the Delta, in high-tech workforce training for Delta adults, and in community improvement projects in Delta communities during the next 20 years than it invested in transfer payments and farm subsidies during the past 20 years? I suggest that vast improvement would occur in human and social capital and that dependency on the federal and state government for livelihood would decrease dramatically.

Creativity, enthusiasm, and commitment to change are needed to attack the massive problems associated with the Delta's pervasive rural poverty. This paper documents the social and economic challenges faced by the Delta. Recognizing that these problems have been reinforced by historically globalizing dynamics spanning almost two centuries lends even further support for a comprehensive action program that will engage citizens and organizations in collaborative partnerships and ventures to transform the Delta's economy.

Other critical factors that will affect the long-term sustainability of any action agenda in the Delta are:

- Commitment to genuine multiracial partnership-building and collaborative efforts to improve equity and livelihood options for the poor;

- Commitment to creativity, innovation and excellence in the developing and implementing high road program initiatives; and,
- Commitment to major investment and improvement in education in the Delta with a drive to reduce education inequality among the races.

It is sometimes suggested that the structure of the produce market and the bargaining position of the poor make them largely irrelevant in the global economic structure, especially the local small producers who buy and sell only marginally in this market. Nevertheless, the amount of their individual transactions in the market, though small in the global context, plays a significant role in the Delta's domestic market and a more vital role in the survival of their communities. Furthermore, the fact that the small farmer buys and sells little in local economies is not evidence, as it is sometimes thought, of his absence from and unconcern for the market. Rather, the world market affects him very directly and deeply, albeit often adversely.

In the Mississippi Delta, small and large farmers now operate under imposed and seemingly arbitrary power mechanisms that no longer allow them to relate to the land the way their ancestors did. Federal policy and the imbalance of power in the global economic system has become a blight slowly eating away at the souls of rural Delta communities, destroying the building blocks of human relationships.

#### *Locally Owned Valued Added Manufacturing Plants*

A key to economic growth in the Delta is achieving balanced trade patterns. The Delta would gain a strategic economic advantage by creating the capacity to add value to its agricultural crops. Creating processing plants would require cooperation, and Delta farmers and communities would benefit most by establishing multiracial business ventures. Producer/worker-owned agribusiness cooperatives offer one model that could attract public and private financing, and that would maintain profits and control in local hands. Much of the orange juice sold in the U.S. is produced by "farmer-owned cooperatives." Value added processing plants would create high skilled and high paying jobs for employees and create wealth for the owners and for the region.

The catfish industry has been the Delta's leading example of a valued added agribusiness (Duval-Diop and Grimes 2005). Nearly all of the catfish produced in the Delta leaves the region ready for the consumer. Some catfish processing plants are owned by farmers or groups of farmers. This industry has been the subject of a "global trade war," however, and competition from Southeast Asia has challenged the viability of catfish production in the Delta. From 2003–2009 there was

decreasing catfish production in the Mississippi Delta. Humphreys County, the largest catfish grower in the Delta, saw a decrease of more than 30 percent in acres, pounds, and dollars. Along with Humphreys and Washington also showing major decreases in their farms.

TABLE 3. MISSISSIPPI CATFISH ESTIMATES, 2003–2009

COUNTY	ACRES	POUNDS	DOLLARS
Humphreys	-37%	-42%	-33%
Leflore	4%	2%	12%
Sunflower	-35%	-45%	-32%
Washington	-47%	-58%	-43%
Yazoo	-41%		

Source: <http://www.nass.usda.gov/ms/catfishyrs.htm>

Other possible value-added opportunities include bio-diesel plants to convert corn, other crops and chicken fat wastes to fuels. Rice and soybean producers and workers would benefit from plants to process the region's harvest of these crops. With the increasing energy cost for transporting raw cotton to mills outside the Delta, perhaps it is time for another feasibility study on creating a strategically located cotton mill in the Delta.

Although Delta communities would benefit most from plants located within the Delta floodplain, producers should not overlook regional value-added opportunities as well. Plans to extend Interstate 69 through the Mississippi Delta have been formalized and the first leg of the interstate has been completed in the northern Delta. This project has been dubbed the "NAFTA highway," as it will provide a direct transportation corridor running from the Mexican border to the upper Midwest. With regional cooperation, I-69 could also provide farmers in Arkansas, Louisiana, and Mississippi with easy access to plants that would add value to crops produced in the Tri-State Region of the Mississippi Delta.

## CONCLUSION

The integration of countries, regions, and communities into the world's economy has been argued by proponents of globalization as a powerful means for promoting economic growth, development, poverty reduction and even unprecedented prosperity in both industrialized and developing countries. However, globalization has created skewed results globally, nationally, and regionally. Market-oriented, corporate-led globalization has major implications for regions and localities, thus, concerns highlighted in this article show that local communities in

the Mississippi Delta may lose farm and nonfarm livelihoods to global competition and that globalization may threaten their sustainable development paths (Meikle and Green 2010).

*Take the High Road!*

Glasmeier and Conroy (1994:12) note: “There are two roads to global competitiveness. The high road raises the productivity of workers, factories and production complexes; the low road increases the employment of low-skilled, low productivity workers in places where taxes and regulations of all sorts are minimized.”

Policy makers and business leaders have often sought “low road” solutions to the Delta’s problems of marginalization and persistent poverty, suggesting that there is need to rethink development pathways for the region. Nevertheless, the Delta Regional Authority (DRA) was established by congress in 2000 to advance economic development in the Mississippi Delta. The DRA develops and implements innovative strategies for economic development. Since 2000, DRA initiatives have created 6,000 new jobs and helped 17,000 Delta families to access clean water and sewer. Yet, addressing social welfare problems at the community level, has taken on new dimensions. The ability of local governments to protect the quality of life of residents may be impaired by global processes in new and unanticipated ways (Meikle and Green 2010).

Although the Mississippi Delta is among the most socially and economically peripheral rural regions in the United States, as the content in this paper shows, it is not devoid of the threats and gains stemming from structural transformation in the international economy. This has fueled job loss in the region, as manufacturing companies, particularly those in textiles and furniture, have moved overseas and displaced Delta workers in the process. These economic restructuring strategies are geared toward satisfying the objectives of large corporations and not local communities *per se* (Stiglitz 2006).

While large farmers in the Delta are positioned to reap the benefits of globalized agriculture, small farmers are exposed to the changing social, economic, and political situations in precipitous ways by two dominant and reinforcing forces: *globalization and trade liberalization*. As a group, Mississippi Delta small farmers have a variety of goals for their land, and often operate through local informal attachments rather than formalized business connections. Their ability to make a living from farming is shaped by their local social context and resource limitations, which may not link them to overseas earning opportunities.

Technology, globalization, and federal funding are the three driving forces behind the Delta's agriculture and agribusiness sectors. This paper shows how the diffusion of advanced efficient technology into the agricultural system of the Delta, juxtaposed with accelerated global processes have rewritten the social and spatial organization of family and community structures. Relocalizing Delta institutions to reduce the vulnerability and dependency built into economic globalization strategies over the past three decades is an alternative pathway. If investments in valued-added manufacturing become available, one can be optimistic about the Delta's future. Globalization will continue to be a powerful and pervasive force, in spite of the glaring social and economic circumstances facing the region. Globalization can become a positive force for the Delta. Deltans have risen to the occasion in various epochs of regional change, providing hope for the possibility of progress, if Deltans have a vision and commitment for change. Internal developments that balance external national, regional, and global forces have always been debated and among of Deltans. As in the past, policy makers can continue to discuss the region's destiny and to steer development in directions that will ensure the economic, social, political and ecological equity and survival for all of the residents in the Mississippi Delta.

#### AUTHOR BIOGRAPHY

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